

Monday

FEBRUARY 23, 2009

5:00 P.M.

At 5:00 p.m. a Regular Meeting was held by the Sandusky City Commission in the City Building Commission Chambers, 222 Meigs Street, with City Commissioners Craig Stahl, Brett Fuqua, Pervis Brown, Bob Warner, Dave Waddington, Dan Kaman and Julie Farrar in attendance; as well as the Charter Officers of the City Manager Matthew D. Kline, Law Director Don Icsman, Finance Director Ed Widman and the Clerk of the City Commission B. Joyce Brown; and the Administrative Staff of the Director of Engineering Services Kathy McKillips, Fire Chief Mike Meinzer, Interim Police Chief Charlie Sams, (Administrative Services Director Warrenette Parthemore-absent), Economic Development Specialist Scott Schell, Chief Planner Carrie Handy and Senior Account/Auditor Hank Solowiej. The meeting was open to the public and the audience and news media were present.

Mr. Stahl offered the **invocation** and everyone remained standing for the **Pledge of Allegiance to the Flag**.

The Clerk called the **roll** and the following Commissioners responded: Stahl, Fuqua, Brown, Warner, Waddington, Kaman and Farrar.

Mr. Waddington moved to accept the minutes of February 2nd, February 9th and February 17, 2009, and dispense with the formal reading of same. Mrs. Farrar seconded. President Stahl asked for a vote on the motion and with all Commissioners voting "Aye", the motion carried.

Under **Audience Participation**, Mr. Tim Schwanger, 362 Sheffield Way, said the Submerged Land Lease for MidStates Bayfront Development, LLC, did the City get the \$22,000 back? Mr. Widman said that Submerged Land Lease is for \$11,470 that we pay as the leaseholder and we should get half of that back. This was not like Battery Park, the only one that operates that way. This is what we pay and then the State ends up giving us that back. Mr. Icsman said the one-half with Battery Park was an anomaly; it's unique. MidStates by their Development Agreement have to pay the full amount. So the snag develops when ODNR won't accept from private parties, the payment. So we pay, they pay the full amount, we get half back.

Mrs. Sharon Johnson, 1139 Fifth Street, questioned the CHIP Housing situation and were there supporting documents, because they approved \$425,000 last time and this was the second \$425,000 for \$850,000 for 47 houses? That was a lot of money. When that comes out of the Revolving Fund does it go into escrow for the Housing Department or the General Fund? When they received the \$425,000 and they start spending that is there further approval from the Commission for the invoices submitting against that amount? A \$163,000 a year, they were approving the expenditure and they had invoices on that and were it coming out of the first or the second \$425,000? President Stahl said they should let them answer some of these? Mr. Widman said he needed to correct the first number. Last year, that was the year that we ended up saying we were not to exceed \$625,000. This year we're saying not to exceed \$425,000, that's in addition to the first \$625,000. So yes, that is over a \$1 million. Those funds are not being moved from the grant account. There were two cost centers; one's a federal grant and one's a state grant. We're paying for the expenses out of the appropriate state or federal grant. So there is no account escrow. Mr. Kline said and it is an estimate to answer her first question. They had asked George Poulos, our Chief Building Official to take over the program and that was his estimate not to exceed. And to answer her last question, that would be George's who drew up all costs of the program. Mrs. Johnson said so there is nothing more coming down the line? Mr. Kline said that's what George feels. Mrs. Johnson asked was there any insurance deductions on this insurance payout and what is the insurance going to be paying? They were well into this now and the public should be knowing exactly what the insurance should be paying. Mr. Widman said Mr. Icsman wrote something to the insurance company trying to get clarification. He wished that insurances were much quicker than what this was taking, but it's not clear at this point of what they would cover. He thinks they were waiting part way to see what transpires with criminal action and at this point they did not have a definite answer. And he thinks that's in part why they (City) communicated this the way they

have is that we need to get these properties repaired and that's what we're attempting to do. But the insurance and the criminal actions will be concluded at some place later on. And they're not sure that that is going to erase all that they're being asked. All of our asking authorities is in there. Mrs. Johnson asked had the insurance paid anything against their invoices? Mr. Widman said not on the repairs.

Mrs. Handy said this was a public awareness item for the Erie County HUD Lead-Based Paint Grant. **Erie County a couple of months ago received a HUD Lead Based Paint Hazard Control Program Grant for \$3,000,000, which was a cooperative effort between the City of Sandusky, Erie County and Erie County General Health District.** The project activities that would be covered under this grant includes: performing lead testing, inspections/risk assessments on homes; conducting required blood lead level testing on children less than six (6) years old; conducting lead hazard control activities in homes; performing blood lead testing and air sampling to protect the health of hazard control workers, supervisors and contractors; conduct clearance testing after rehab work has been done; provide resources for lead-safe work practices, abatement classes for contractors; other contractor training; training to comply so that they can actually comply with the HUD requirements for this program when they are doing a rehab. Our primary goals are to build capacity necessary to protect families; especially with children less than six (6) years old from lead poisoning and to eliminate lead-based paint hazards in the County's housing stock. The program will provide funding for the direct reduction of lead hazards in 220 homes either owner-occupied or rental in Erie County, but the majority of those probably will be in the City of Sandusky. All the target areas for the grant are in the City, because this is where a lot of the lead levels have tested high in children in Erie County is in the City. The Health District will provide blood screenings for children and then the County will provide the training for contractors and landlords and homeowners who want to know how to work lead-safe while working on their homes. They had been conducting a number of public meetings. They had one February 11th and they had one last week. There were going to be quite a few this week. If anyone was interested in learning more about the program, she had flyers in back with all of the dates and times. Tonight there's one in Vermilion, which is pretty far away, but there is one tomorrow in Bay View. There's one Wednesday in Castalia and Thursday in Milan. They also now had the applications available for people if they want to have lead assessment work done in their home. They can contact her or Erie Regional Planning Commission, Jim King is going to be the Coordinator there for the grants. His phone number is 419/627-7524. And she believed that an application is on the County's website and the Health Department's website and she was going to try to get it on our website too. But they hoped to start work on some homes here real soon. They've pretty much got all of the housing procedures worked out so they're hoping in the next month or two that they would start working on homes. Does anybody have any questions, she would be happy to answer them? She was just trying to get the word out that it was available. They were going to try for kind of a 50/50 split renter versus owner-occupied as far as the 220 homes go. Priority would go to people whose children have tested high for lead and then families with children under six years of age. So that doesn't mean that would disqualify you if you don't have that.

Discussion – Mr. Waddington said he attended that meeting at the County Building and they were going to be holding testing for lead classes for seeking your license for abatement that you go and do the properties. And then of the 220 homes a lot of this was going to be rentals and that's going to be complaint driven correct? Mrs. Handy said well priority would be given to those where somebody had gotten orders from the State that the lead had to be abated. And that would mean that a child had spent the night in that rental unit. Mr. Waddington said and of the 220 homes he thought it was around 75% in the City of Sandusky that the majority of the homes in this town were built around 1940. Mr. Handy said yea, roughly 75% of the units in Sandusky were built before lead-based paint was outlawed. So it was the likelihood that everyone has it in their home was pretty great. Priority that the target areas of the State that when we applied for the grant were all in the City, like she said because of the number of children have tested high for lead that they have all been in, pretty much all of them were in the City of Sandusky. You know the State has different neighborhoods targeted where there have been a good number of children testing high for lead and they're all in the City. So we hoped to get a good share of the money.

Mr. Waddington asked could she tell the City what was the walk-a-way, because if it goes too far and excessive what would happen for the citizens? Can you inspect those at the house? Mrs. Handy said if the condition of the house was such that putting our money into it would not be wise, it would be a walk-a-way. They're looking at an average of about \$15,000 per home, but there is no maximum. It could be less than that. They didn't want to go too much higher than that, but if the repair work was too much, there was the potential that the house would be a walk-a-way.

Mr. Warner asked were we actively seeking our local contractors to work on this project? The construction work is not going to be great this year and that's a nice project and he wanted the City to actively seek our local contractors for participation in this program. Mrs. Handy said we definitely are. The Health Department has already held one training class for contractors. To work on this grant you do have to be certified in Lead Hazard Control, which is work basically when you're doing rehab work. There is another level higher than that of lead abatement. Most of our jobs though would be the Lead Hazard Control, which is a one day class and you take a pretty easy test at the end. She sat through it. Mr. Warner said they had more classes. Mrs. Handy said there's more coming; this grant does pay for the classes, for us to hold the classes. So they would be available at no charge or very reduced charges to the contractors here. They were working on getting those scheduled right now. They were working on who would be a good person to do those classes. In the House Department looking at whether they could do some of it and then also bringing in an outside contractor. But out of the grant there's quite a few classes that they would have to provide. She was thinking her Interim Control & Lead Abatement Classes. So they hoped to have every contractor here in Erie County certified at least in Air Control through the grant.

Mrs. Handy said this was a **public hearing on the City's five-year Consolidated Plan**. This was part of a kickoff meeting for this process, the Consolidated Plan, which the requirements of the U.S. Department of Housing and Urban Development (HUD) that the City of Sandusky must prepare in order to receive funding under the Community Development Block Grant (CDBG). **The plan is a comprehensive strategy developed by the community that addresses affordable housing in redeveloping these present within the community.** They anticipate that the City of Sandusky is eligible for approximately \$800,000 annually over the next five years beginning July 1, 2009 through 2013 for HUD CDBG Funding, providing the City meets applicable program requirements through its submission of the Consolidated Plan. These funds can be used for housing, homeless assistance, community development purposes. She had at the back of the room handouts with a list of eligible activities that they could use the Block Grant Funds for. Today was their first public hearing for this process. It's part of their Assistance Participation Plan. They hold at least two public hearings on the Consolidated Plan. The second public hearing will be Monday, April 27th as per the City Commission meeting. At that meeting they will have a final draft of the Consolidated Plan. It will be available for review 30 days before that date. They have also put together a Consolidated Plan Advisory Committee and any citizen that would like to attend those meetings to be part of the committee they can do that. This committee will meet at least three times. They have the meetings set; the first one would actually be tomorrow. The next one would be March 4th and the third one would be April 3rd to talk about what needs to go into the Consolidated Plan. But basically this plan would lay out the different activities that we want to spend our money on for the next five years. And then they do a one-year Action Plan every year to specifically define the activities. She had a copy of who they have already asked to be on the committee and they already have about 40 people who are interested so they hoped to have a real good meeting tomorrow about it. Did anyone have questions about this? And if anybody or any citizen has public comments on any project they would like to see for Community Development Block Grant, she would take those comments at any time.

Mr. Waddington said Lions Park. Mrs. Handy said what they would probably like to start to work on first with Lions Park is the Master Plan for the development of the whole park. So that has been something that they can definitely do. Play equipment, upgrading the shelter and things like that, they can do that also under slum and blight cities. She would have to check for a beach or anything like that because she was not sure about that yet. She hasn't seen that in the regs (regulations), so she had to get an opinion from HUD's Office, for special use clean up on that.

Mr. Kaman said he would like to see if we can find some of that money and use it for some of our streets and roads this summer, specific neighborhoods. Mrs. Handy said we are definitely looking at putting some more money towards infrastructure. She thinks it's been lacking the last few years that there hasn't been a whole lot going towards infrastructure. We have a lot of streets that need to be fixed.

Mr. Brown said is there a breakdown for the money that goes for housing and urban development; is there no earmark? Mrs. Handy said there is no separate thing, no. You had to determine what your community's needs are and then you find your money according to that. **As there were no further comments, President Stahl declared the meeting closed and returned to the table.**

President Stahl declared the **public hearing open for the 2009 Budget**. Mr. Kline said as per regulations of our Charter, we were going into the public hearing right now for this year's budget. There have been small changes, but the total recommendations for all funds for 2009 is \$46,527,903. This would have been estimated. And that was with all funds. The proposal for the General Fund is broken down to a total of \$17,901,814. This is still estimated to include approximately \$961,000 of what they would term deficit spending. President Stahl interrupted and asked what was his income projections of the General Fund? Mr. Kline said \$16,940,623. President Stahl said he expected to exceed revenues by \$961,000. Mr. Kline said that is correct. Due to the revenue losses, the projections of income tax (2009/\$2,041,360 versus 2008/\$1,869,557) was going down slightly with what they were experiencing with the economy. Local Government Funds (2008/\$897,443 versus 2009/\$796,202) is being reduced by just over a \$100,000. That's money straight from the State. The biggest hit is projected Interest Income being bust this year. They didn't think it was any secret if anyone would take a look around at 401K's and investments and what the interest rates have done. He would be happy to try to answer any questions.

Mr. Waddington said he guessed that he was going to be the bad guy. In the last several years Sandusky has lost population and a countless number of jobs. As a result we have become more dependent on Cedar Point and the tourism dollars. When the City runs short of money, we always have our first vision over the bay. Cedar Point has brought millions of tax dollars into our local economy and certainly makes Sandusky the destination for tourist to spend their travel dollars. He has always considered Sandusky and Cedar Point as two partners in progress. Without the dollars paid by Cedar Point, the City and Sandusky Schools would have been in crisis a long time ago. By imposing on Cedar Point or Sandusky residents these taxes would only plug this for the short fall, because it was a short-sighted decision that many would regret later. Taxes in this climate is a bridge to nowhere. He will not support any new taxes in 2009.

Mr. Kaman said he had a laundry list of 22 items that he brought up both in the executive session last week and to the public in the previous meeting and he was just waiting for staff to get back to them and discussing all of those proposals. He also agreed with Mr. Waddington that government should get smaller and make cuts for unneeded things before they raise taxes or fees.

Mr. Warner said he had a question, what was our carryover and what did he estimate that our carryover would be at the end of the year? Mr. Kline said right now they're estimating that our carryover would be \$2,729,371. Mr. Warner asked what was our carryover this year? Mr. Kline said \$3,690,573. Mr. Warner asked what was our target for carryover every year? Mr. Kline said anywhere north of \$3,000,000. Mr. Warner said we're probably not going to make that \$3,000,000 mark; we'd get close, but we're not going to make it. Mr. Kline said that's correct. There are some things that we can do and actually Mr. Kaman's laundry list was one of the things that would be operational things that could help us save some money. Mr. Warner asked did he believe it was wise to spend down that carryover since we're not getting anything on interest anyways and steady going to the citizens and hitting them with taxes at this time? Is it wise to spend that carryover down to support what we have in the City, along with cuts and measures to reduce that? Mr. Kline said he thinks it's really again, it's two-fold. It's nothing much trying to spend down the carryover and trying to maintain the carryover as best as we can. Operationally that's going to be for the cuts throughout the year. Each of our department heads does a good job of trying to maintain and keep the costs down and each time that we can try to come up with some plan that saves us money, then we do it. It's something that we do on

a daily basis. We changed the Cell Phone Policy and it should save us at least \$5,000 this year. Downtown they felt that these lights burn as an example at about 150 watts and the LED's shine at the same brightness, but burn at 23 watts. So that would be a savings on electricity. Now it may be about a \$9,000 investment and we might not use \$9,000 worth of electricity, but keep in mind also that it is guaranteed for about 10 or 15 years. But with the course of time it's going to reduce our monthly bills. So those are just two examples, but they try to do that on everything.

Mr. Waddington said he was concerned about where this Housing ends up at. He's not so sure, and he talked to Mr. Widman earlier this afternoon, if we have to pay that grant back does that come out, it looks like some of the money is going to be coming out of the General Fund and we don't even have that figure yet. So that's running a guess figure. And what if the insurance doesn't cost, what if they see where we're going to pay 75% of that? He didn't know where that was going to end up; he could guess, but that's not solving the financial problems. He asked Mr. Widman today, and he's worried about us being in the BORMA Insurance Pool. The other communities may say hey, Sandusky has a lot of risk factors, we want to opt out. Knowing this stuff, he thinks when you freefall you better look at everything. And he really believes that just like at his house, if he's got fewer dollars, he's got to make changes. And maybe they got to make changes through consolidation of departments. He was not happy when he read that in the Register today about somebody coming down and being bounced around at 222 upstairs; you have to stop here, go here, go there. He don't know if that's a good way to run business. You know and we ain't even got any cuts yet. They need to look at overlapping or having different lunch periods. Mr. Warner asked were they still on the budget or moving on to something else? Mr. Waddington said that's part of the budget. Mr. Warner said well that was covered. Somebody wasn't here at that point in time, but somebody not being here when one person walks by and sees the sign. And he was actually here four times on Friday and somebody was here every time he came up and wanted to talk to somebody they were here. Somebody has to go to the restroom or has to go somewhere and puts the sign on the door, he ain't tying anybody to a chair for eight hours here. If they got to go somewhere, they got to go. And if they got to put a sign on the door and be back in a few minutes, they'll be back in a few minutes or either you'll step down here and somebody will help you. Mr. Waddington said he was reading this in the paper is what he was saying. Mr. Warner said nobody likes to read the damn paper, but he has to, that's why they put it in there.

Mr. Kaman said along with the Housing and the Nuesse thing, you know that \$3 million looks very tempting, it's like a nice red apple that you want to pick at it, but we also got to finish our projects that we got started. The overpass; we want fire trucks and we got \$3 million in there and that gives us a good bond rating on these fire trucks. The Marina District was promoted with some maintenance money and we now actually know we're going to have to spend some money. So where's all this money coming from? That \$3 million, he understands they want to spend a little bit of it, he knows it's tempting, but since he has been here Mr. Widman has always said they want to keep that \$3 for bond rating. And in times like these we're having we find ourselves having to go to the bank and get different loans and short-term help, the more we can save in there the better. They were all concerned now, and the unions got to point to that, well yea they'll probably point to this. But hopefully they'll remember when they want fire trucks and they want equipment, how come Sandusky can't staff them and how come we can give them the best equipment. And that's one of the reasons; our forefathers here at this table worked hard to get that \$3 million and he was now hoping they can try to keep it as close to \$3 million as they can. He knew that they went up and down to a million and a half and \$3 million, but he hated the idea of going below that and Mr. Stahl explained it to him several times, because he gets awfully nervous when he sees that down to a million or two. All they need is for Chief Meinzer or Chief Sams to come up here and say they need some new vehicles or they need a big ticket item, that's what that's important for.

President Stahl said this budget is in print for a guidepost if it allows them to quickly respond to economic situations that they face. Our staff needs to realize that they need to act accordingly. Passing this budget doesn't mean that they were set in stone that they would lose almost a million dollars. It means that they will continue to do business and it gives them the opportunity for staff to manage this and or management and our staff jointly work together to come up with some changes. They look at this every month. The public looks at this every month. Certainly they have

talked about these personnel issues in executive session. The staff would buy into this a lot better if they get home and they read the paper every night and they read about this country, just not the City of Sandusky, Ohio. Because it's important for everybody to, he didn't like to use the word buy in, but work together on a team. He's used it like a quarterback of a football team, let's get in a huddle, put our arms around each other, and let's run the play. But they don't know what the play is. They don't know if the football yard was 110 yards or 50 yards, they don't know what it is right now. This budget gives them the opportunity to be flexible, but anybody that thinks they should lose \$967 (\$967,000) on purpose, is mistaken. It's not right, but it does give them the opportunity to try to change things and how they do business. Yes, this City has to change and yes they're reaching out and this budget was allowing everybody to reach out and try to work together on the same team. They're all on the same team. None of them want to raise taxes he don't believe to Cedar Point or the citizens. That's not the answer. The answer lies somewhere between, and he thinks this group as a whole believes that. They had an awesome opportunity in front of them to do a lot of right things. This budget is a step in the right direction, but he did believe they should pass this budget. But he don't believe they should run this thing down to a \$967,000 loss. If they have to make some hard changes along the way, they need it to be as a Commission ready to make those. And he thinks our staff would say look at these numbers and know more about the budget than any of the four years that he has served on this Commission, they realize the same thing. It's not a "we" versus "they", it's a "we as a team", "we as Sandusky". **President Stahl turned to the audience.**

Mr. Bob Zoellner, 1401 Ogontz Street, said he was able to get a copy of the original draft that he believed came from Matt Kline on January 30th, so his numbers are a little different than theirs. As he looked at the bulk of our expenditures, he knows that we talked a lot about it the last few weeks, and he heard a lot of folks say they do not want to cut staff. Again, he agreed with that sentiment. In an ideal world, he don't want to cut staff, but their staff expenditures are 80.4% of their budget, as in any business, any endeavor most of it is going to be your staff. First of all he agreed with Mr. Waddington, thank you for saying that, no new taxes. That has to be left off the table one way or another. If they want to enhance revenues for this City, brainstorm every idea they can think of to find some industries and businesses or any type of company that wants to come to this kind of area. Even in this economy, something still works. It's going to take some work, but find out what works in this economy and find out what we can do to get more people that would want to relocate their business here so people can work. So more people that are working and the jobs that are paying wages, you're going to enhance your revenues, but do not do it with more taxes. We cannot afford more taxes; we are burdened enough. Secondly, he don't know how much they've already put into this, it sounds like they put into it a lot. In many different venues through the years in a mirade of opportunities he's always said, there's no bad idea. It's only a bad idea if it wouldn't make sense and then if it is implemented anyway. Listen to every idea that comes down the pike and then evaluate it for how good or bad it is. You know sometimes many different ideas, bits and pieces of nuggets can come from them and make it work. One idea he had, and then again he only had a chance to peruse it, but again it may not be popular, but they wouldn't have to lay anybody off. Ten percent wage deduction across the board for every employee of this City. Right now they show wages and fringes of \$13,600,000. If they take out the fringes, maybe representing 35% of that, he don't know what the fringes for this City costs, but a good ballpark figure of \$950,000 would be 10% of the wages. Don't just cut people's wages and keep making them work. How about every two weeks, give them an official day off so that they work nine days out of ten; they can have a three-day weekend on occasion. Those were some things Mr. Warner floated, maybe not those exact ideas, but things like that he has seen in the construction business that has worked to keep the key people going. They don't lose their medical benefits and other fringe benefits that they have, but they still are working, they still have a paycheck. They may have to cut some corners at home and make things tighter, but they still have a paycheck and they can still make their family function by not losing a job. And he's not talking just union. Mr. Fuqua if he came across too strong before, he's not against the union. He does not want to see anybody lose a job. Everybody needs to work. He thinks from administration on down, that could be one way to look at it, 10% wages only, keep your fringes intact and enjoy a three-day weekend every two weeks. They could still

make it work. They could keep our offices staffed. It may not work in our safety services and that would take a little bit more creativity. That's just an idea to throw it out that all of a sudden you've reached our \$950,000 goal and we've eliminated the deficit that we're trying to work on. So again, keep working on this problem, keep throwing creative ideas at it, investigate them to make sure they work. And also don't forget to find out how we can continue to leave people work in this town. No matter how bad things get, certain functions of our economy and our society have to go on no matter what and that entails jobs. And let's find out what that needs to be in this town and see if we can get more of that type of thing here during this time.

Mrs. Sharon Johnson, 1139 Fifth Street, asked when was the budget due, because someone was talking about floating this? President Stahl said his thoughts were that they would look at this every month. The wonderful thing about the way they're doing this thing right now is the budget is available two or three days after the end of the month. Any council will tell them that to have this available two or three days after the end of the month, is not a history lesson, it's a work in progress. This gives them the chance, and the beauty of this thing is that they can compare January of '09 versus January of '08. For example our unexpired balances, at the end of January was \$2,770,000 and last year it was \$3,350,000. So we can look at this they can see. Mrs. Johnson asked when was the budget due by Charter? President Stahl said the end of March. But they certainly have to have a first reading on it at the next meeting. Mrs. Johnson said she was hearing a lot of talking, but she was not seeing any action. We have \$961,000 deficit. We needed to start cutting people. That's the only way they're going to do this. Time is running short; they've got to do this; they've got to move on it. She was hearing also from Mr. Kaman and Waddington that he's concerned about the Nuesse hearing and the Housing and that's all out there; this is scary. And then they want to this coming fall take the unions and make them take concessions, and he just heard Mr. Kaman say that this Marina District is going to cost us some money. This was supposed to be of no cost to the taxpayers and now they're telling them that it is going to cost them some money. Does anybody know what that was going to cost them? All of that is out there; and we're broke. We're like the government. We're going to need a bailout here pretty soon. President Stahl said we'll have a manageable deficit in his opinion in the finances that we've done for the last three years. We're in a lot better shape than most of the people that he reads about in the paper. We have a budget. We have some great unions that he believed they would work with us at the appropriate time. He thinks they know he would like to talk about staff reductions in executive session because it affects people's lives and it affects their families and that's a very bad thing. Does he think they need some staff reductions at some point in the next three or four months? He would look them in the eye and he would be lying to them if he didn't say you are correct. But he don't believe they should do it in an open session of the City Commission. Mrs. Johnson said when she was downsized nobody cared about whether or not she could meet her finances. They did it for the betterment of the company. They didn't care about her personally. And as far as this March deadline, there shouldn't be any floating about this. The Charter says March is the deadline; you need to make all your cuts and you need to get yourself in order on this.

Mr. A.J. Oliver, 1112 Wayne Street, said he had a quick request for information and about the budget. Actually in the vote for 2007, Marina District Advisory Vote, it says how much will it cost taxpayers for the new City Hall? Zero, zero. He didn't think that's written to be correct, not even in the ballpark. So he would like, you guys should keep track of staff time, right. So when staff changes jobs, that's kept track of right, when they go from one project to another? Because if it isn't, it ought to be. Anyway the information he is requesting is for 2007 and 2008, he realizes they're busy and they have a lot on their plate so a couple of weeks is fine. Nevertheless, for the Marina District for 2007 and 2008 he would like to know within 5,000 or 10,000 bucks, it doesn't have to be exact and he thinks the public is entitled to know too, how much has already been spent? Staff time, legal time, support services, grants, whatever expenditures have been made already on grants, which are considerable for both 2007 and 2008, he would like that information to get public. He would like the same sort of information on the Housing situation. That is a scary situation. The costs for 47 houses divided by \$1,050,000 comes out to \$22,340 per

house. He would tell them what, he knew a lot of contractors who were looking for work and they could do an awful lot of work for \$22,340. But he would like to know how much it's already costing the City, not the normal Housing budget. He meant the Housing crisis, he guess they would have to call at least malfeasance that went on. So he would like to know what it cost the City for 2007 and 2008, staff time, legal services, materials, training, interventions, whatever you spent it on. And thirdly he would like that information for the Nuesse item, which again is quite disturbing on a lot of levels. So how much staff time, people who attended those meetings, he presumed they were doing something else, staff time, legal time, transportation costs, all expenses for the Nuesse investigation for '07 and '08. Again he wasn't doing this to burden anybody, he's not doing this to burden anybody, he really didn't want to do that, but he does believe that the public's entitled to this information. It's absolutely appropriate that this be shared with them. And he thinks too a report by the City for each of these, what happened, how it happened, why it happened, and how it's not going to happen again. What changes have we made so these sorts of things do not happen again. He think those are all very appropriate. So he would e-mail them again to remind them of that request. And again, he knew they were all busy and he didn't want to inconvenience anybody, but he thinks that information, the taxpayers and the citizens, are fully entitled to that information. President Stahl asked did he have notes and could he send him an e-mail on that? Mr. Oliver said he would be glad to.

Mr. Waddington said he would like to make a motion to accept all communications at once for tonight's meeting. Mr. Kaman seconded and it carried unanimously.

ITEM #1 - Communication – Edward Widman, Finance Director

BUDGETARY INFORMATION: This City Commission authorized the expenditure of funds not to exceed \$625,000 for the repairs to homes involved in the City's 2004, 2005, and 2006 Housing Rehabilitation Program by Ordinance No. 08-143, passed on December 22, 2008. At the present time, existing State and Federal Grant Revolving Loan Funds are pre-funding the cost of the repairs. An additional \$425,000 is being requested for repairs through the process of pre-funding the cost of the repairs using existing State and Federal Revolving Loan Fund Grants. It is anticipated the City of Sandusky's General Fund will assume the long-term financial responsibility for these repairs as these grant funds will need to be repaid once insurance, criminal investigations and legal matters are resolved. A list of the properties involved in these programs is available upon request.

ORDINANCE NO. 09-008 - Appropriating funds and ratifying the payments made to various contractors and approving payments to be made to contractors for additional services for the repairs to homes involved in the City of Sandusky's 2004, 2005, and 2006 Housing Rehabilitation Programs in calendar year 2009.

It was moved by Mr. Warner and seconded by Mr. Waddington that this Ordinance be passed under suspension of rules in full accordance of Section 14 of the City Charter. The Clerk called the roll on the motion. Yeas: Stahl, Fuqua, Brown, Warner, Waddington, Kaman, Farrar, 7. Nays: 0. Thereupon the Clerk called the roll on final passage of the Ordinance: Yeas: Stahl, Fuqua, Brown, Warner, Waddington, Kaman, Farrar, 7. Nays: 0. President Stahl declared the Ordinance passed.

ITEM #2 - Communication – Scott J. Schell, Economic Development Specialist

BUDGETARY INFORMATION: This Submerged Lands Lease is payable by the City of Sandusky as the leaseholder. The Chesapeake Lofts Condominium Association, Mid-States Development Corporation's assigned sub-lessee, will reimburse the City for the cost of the lease payment pursuant to Submerged Lands Lease Agreement SUB-2119B-ER, between the City, MidStates Bayfront Development, LLC and ODNR. ODNR does not allow a sub-lease holder to make a Submerged Lands Lease payment on the City's behalf. Since the amount of the payment is over \$10,000 it should be approved by City Commission.

ORDINANCE NO. 09-009 - Make payment to the Ohio Department of Natural Resources (ODNR), Office of Coastal Management for rental payment on Submerged Lands Lease File No. SUB-2119B-ER for the period of April 2009 through March 2010. It was moved by Mr. Kaman and seconded by Mrs. Farrar that this Ordinance be passed under suspension of rules in full accordance with Chapter 14 of the City Charter. The Clerk called the roll on the motion. Yeas: Stahl, Fuqua, Brown, Warner, Waddington, Kaman, Farrar, 7. Nays: 0. Thereupon the Clerk called the roll on final passage of the Ordinance: Yeas: Stahl, Fuqua, Brown, Warner, Waddington, Kaman, Farrar, 7. Nays: 0. The Ordinance passed.

ITEM #3 - Communication – Matt D. Kline, City Manager

BUDGETARY INFORMATION: Both the City of Sandusky and Erie MetroParks acknowledge that passage of this Agreement is in the best interests of both entities in the spirit of intergovernmental cooperation and the encouragement of a regional approach. Erie MetroParks will pay the City of Sandusky \$20,000.00 for the services provided by Mr. Pisarsky and he will remain an employee of the City of Sandusky. A mutually agreed upon work schedule will be established by the City Manager and the Executive Director of Erie MetroParks.

ORDINANCE NO. 09-010 - Approving and authorizing the execution of the Intergovernmental Agreement with Erie Metro parks to provide the services of the City's Arborist. It was moved by Mr. Waddington and seconded by Mr. Kaman that this Ordinance be passed under suspension of rules in full accordance with Chapter 14 of the City Charter. **Discussion** – Mr. Kaman said he was in favor of this ordinance. He just had a concern that they don't go back into what they had with our downtown agreement with an employee. He just hoped that this was better controlled and better documented of what the employee does.

Mr. Warner said he agreed with this ordinance and he looked forward to many more ordinances like this amongst working with other governments, cities, and the County. He can't wait to put some other things together with some other people around here. This is one step; they need to take several more, after they take them the better off they'll be. The Clerk called the roll on the motion. Yeas: Stahl, Fuqua, Brown, Warner, Waddington, Kaman, Farrar, 7. Nays: 0. Thereupon the Clerk called the roll on final passage of the Ordinance: Yeas: Stahl, Fuqua, Brown, Warner, Waddington, Kaman, Farrar, 7. Nays: 0. The Ordinance passed.

ITEM #4 - Communication – Lieutenant Phillip J. Frost

BUDGETARY INFORMATION: The total cost for the building materials is \$19,000 and will be funded with grant funds from the Sidney Frohman Foundation in the amount of \$9,500 and the Wightman/Wieber Foundation in the amount of \$9,500 if awarded. These grants require no matching funds from the City. The Construction Maintenance Department would provide labor for the construction of the building.

RESOLUTION NO. 002-09R - Approving the submission of grant applications to the Sidney Frohman Foundation and the Wightman/Wieber Foundation for the Sandusky Police Department and, if awarded, authorizing the City Manager to execute any required agreements and expend funds. It was moved by Mr. Kaman and seconded by Mrs. Farrar that this Resolution be passed under suspension of rules in full accordance with City Charter Section 14. **Discussion** – Mr. Waddington said he was glad they were going to build a countywide northeastern facility (Police Indoor Training Facility/Firing Range) so other departments could use it. Mr. Sams said for both County, state and federal. Mr. Waddington said another partnership, that's the way to go. The Clerk called the roll on the motion. Yeas: Stahl, Fuqua, Brown, Warner, Waddington, Kaman, Farrar, 7. Nays: 0. Thereupon the Clerk called the roll on final passage of the Resolution: Yeas: Stahl, Fuqua, Brown, Warner, Waddington, Kaman, Farrar, 7. Nays: 0. The Resolution passed.

ITEM #5 – Ordered in meeting of February 17th

RESOLUTION NO. 003-09R - A Resolution requesting the U.S. Congress to delay the United States Postal Service from moving its facility for processing mail originating in the 448 and 449 Zip Codes from the Mansfield Customer Center to the Akron Processing and Distribution Center until the effect of such proposal on costs and delivery standards is fully investigated. It was moved by Mrs. Farrar and seconded by Mr. Warner that this Resolution be passed under suspension of rules in full accordance with Chapter 14 of the City Charter. The Clerk called the roll on the motion. Yeas: Stahl, Fuqua, Brown, Warner, Waddington, Kaman, Farrar, 7. Nays: 0. Thereupon the Clerk called the roll on final passage of the Resolution: Yeas: Stahl, Fuqua, Brown, Warner, Waddington, Kaman, Farrar, 7. Nays: 0. President Stahl declared the Resolution passed.

ITEM #6 - Submitted by the Clerk of the City Commission on behalf of ODOL.

A stock request of D5 Liquor Permit to El Pino Ltd, dba Casa Fiesta Mexican Restaurant, 1007 W. Perkins Avenue & Patio, Sandusky, Ohio 44870. It was moved by Mr. Waddington and seconded by Mr. Kaman that the Clerk, B. Joyce Brown, notify the Ohio Department of Liquor Control that the City has no objections to this request. President Stahl asked for a vote on the motion and with all Commissioners voting "Aye", the motion carried.

Under the **City Manager's Report**, Mr. Matt Kline said Recreation Program Supervisor Michele Hall asked him to share a few things with them. **The City will be entering into an agreement with the Sandusky Fast Pitch Association to operate the Dorn Community Park Concession Stand this summer for leagues and the tournaments.**

Mr. Kline said **BAS Broadcasting was once again partnering with the City and providing exclusive in-kind radio advertising for the following events hosted by the City of Sandusky:** Northern Ohio Racing Expo; KidsFest and May Days; Masters Walleye Circuit Fishing Tournament; The Mills Creek 70th Celebration; Northcoast Annual Expo; Coast of Ohio Wine Festival; Sandusky Bay Antique Flea Market and Bay Day; ESPN Bassmaster's Fishing Tournament; The Supermarket Scramble; Boo at the Bay; The Creepy Crawler 5K; and next year's Arctic Ice Festival.

Mr. Kline said the Commission would recall a couple of meetings ago, **Regina Burchett spoke about a \$9,000 assessment that the Fellowship Temple Church had. She was requesting that the City Commission reduce the amount by \$2,000 or totally forgive the assessment.** President Stahl questioned the amount. Mr. Kline said she wanted to reduce it by \$7,000; reduce it to \$2,000 and to forgive that assessment. The City Manager really doesn't have that authority to be able to do that and there was really no motion that evening. So he's putting it out there to see what they may like to do, like authorize by a motion a reduction on her assessments that were requested by Mrs. Burchett. It didn't seem to be any objection that night, and so they might want to think about bringing it back to the next Commission meeting. President Stahl said he would like to think about it. Mr. Kline said that's fine. He would have Carrie give them any and all the information. President Stahl said he would like to look at the invoice for the services that were provided and the time that they would be paid and any other information. Mrs. Handy said she could tell him. The total cost of that demolition, it was assessed at \$9,700. Herbst Excavating she believed was the contractor on that. President Stahl said so our assessment was \$9,700 or did we pay less than that? Mrs. Handy said she thinks it was \$9,600 and she thought there might have been \$100 administrative fee tacked on. President Stahl said in otherwise we have on behalf of all citizens in the City of Sandusky \$9,600 out of pocket costs. Mrs. Handy said that was paid with CDBG Funds, not citizen's money. Mr. Kline said the demolition was actually paid for with CDBG Funds, back in 2006. Mr. Warner said there's no impact on the General fund? President Stahl said correct. Mr. Warner said with that demolition? President Stahl said correct. Mr. Warner said so if we forgave that money, it ain't like the General Fund was ever going to get that money back or if she does pay that, that money does go into the General Fund? Mrs. Handy said that money would come back to Program Income for the CDBG Program Income. Mr. Warner said so it would never see the General Fund? President Stahl said so if we reduced it, she wants to reduce it \$2,000. Mrs. Handy said she spoke with her and she said she would be willing to pay the \$2,000. So that was what they were told originally. She had to get with her congregation and see how many years they wanted to spread that over, but whether its five years, ten years or whatever, you know it's the amount that really matters. President Stahl asked was she willing to pay the \$2,000 now or over time? Mrs. Handy said probably over time. She was going to check and see if she could get the money right away so that they could avoid the penalties that are tacked on you know if you would extend it over time, but... President Stahl interrupted and said he was tempted to vote on this tonight, but he would like to think about it. Mr. Kline said a brief history is that the employee no longer works here who told the church, which is a very, very small congregation from his understanding, that the demolition would cost about \$2,000. The demolition occurred; it was paid for by CDBG Funds back in 2006. As they were put on, you don't see those assessments for 18 months later. So when they got the first assessment bill of \$9,700 they were obviously quite shocked, because that was not what they were told a year and a half earlier. They don't have the authorization. So this happened a couple of meetings ago and he was asking for their consideration. That's the history. *President Stahl said it might be proper to ask for legislation to be ordered in and they can vote next meeting.* Mr. Kline said okay.

Mr. Kline said right before the meeting started he was finally able to receive all of those who were interested in putting in a **written proposal for the G&C Foundry Cleanup.** They've had four companies submit price quotes to them for the cleanup of the property. Although there seems to still be some interest in the purchase of the property, as of right now his opinion is there has only been talk, no action, and the

property needs to be cleaned up now. They did receive four written proposals, one from Barnes Nursery for \$93,600; the Ed Burdue Company for \$49,800; Herbst Excavating for \$68,659; and Ohio Concrete Crushing for \$57,000. There's no other place to take these funds from, but they had asked at the last Commission meeting and they have prices. It would be an emergency if so authorized by the Commission, then they would proceed with the cleanup. Their recommendation would be obviously the least expensive, which is Ed Burdue, that would be cleaning up everything down to the foundations and the small building that's still standing would remain standing. From his understanding Mr. Burdue had indicated that he actually had plans to crush the actual brick using them as base on another project, the rest of the materials would be going out to the landfill. **Mr. Kaman said he would make the motion they authorize Manager Kline to sign the agreement with Ed Burdue Company for emergency cleanup of this property. As far as the General Fund Reserves it will get attached as a lien on the property. Mr. Waddington seconded the motion.** President Stahl said \$50,000 we don't have in the budget, and it's probably looking at an "e" guys. He don't know any other way to look at it, but an empty "e" at the end of the day, and everybody knows what an empty "e" is, a full-time FTE.

President Stahl said he wanted to make sure that Mr. Burdue doesn't take this over and put it on his land that's just on the other side of the railroad tracks. That's one of the things that he heard. Mr. Schell said actually they had that conversation with Mr. Burdue. He does own property that is right around the corner from the G&C Foundry Property. They asked him, they did not want basically one pile moving from one property to a second property. What he has told him is that he will utilize the brick that he takes out of the G&C Foundry for that other property for him to install as road base and it's a firmer ground for that property. All of that other material, all of the other debris that he cannot crush for road base, will go to the landfill so they won't be leaving even one pile just around the corner. Discussion ensued.

Mr. Warner said he would like to remind him that \$39,800 is probably a full-time employee and that's just that we don't have the money, which is a service that the citizens are clamoring for them to provide, but the citizens do not want to pay for that. He don't think that he can support this. They're spending money we don't have and they're screaming we got to cut bodies. He just don't know how they can say spend \$50,000, but don't worry about losing people. If you guys want services, they're going to have to step up. Mr. Kaman said he wanted to point out that the last part of his motion was that they would attach a lien on the property so that they would get the money back. Mr. Warner said there are quite a few of those out there right now. Mr. Kaman said they'll attack them one at a time.

President Stahl said he don't know if it's appropriate for him to ask this, but when he said full-time equivalent, that's in the business world what they call a full-time employee. He knew that question was asked from the audience and he felt very bad about the potential of \$50,000 when they're passing this budget that has a lot of issues you know to be doing that. If they still have some possible buyers out there, if they had a purchase agreement of \$50,000 attached to this, it would be different.

Mr. Kaman said he would like to point out that two years ago they had a company come to our City called Okamoto, who a short time ago was interested in that property. Then it got stripped out. They weren't happy about it then. Their business is going down and his hope is that they got it cleaned up and they would become interested in it again. We're not going to sell it to any developer, any other company the way that it's sitting right now. There's a lot of things out there, and like he said before, how do you eat an elephant, one bite at a time. They've got this one sitting there already scrapped out. You got American Crayon right on the verge. This Commission has to take action soon. He'd rather act now on American Crayon also if they can, but they can't unfortunately. He can see that's going to happen that same way; it will be there. So he would just like to see this cleaned up. Mr. Fuqua said he would like to disagree with Mr. Kaman. There may not be a buyer around the corner, there may not be a buyer tomorrow, but there will be a buyer and theoretically they still wait for the money because Mr. Warner put it best, they may not even see the money. And after reading Mr. Kline's communication, he don't think that he can support this either. He meant the jobs are going to either be cut or they are suggesting a 10% cut across the board, and \$50,000 is one person; he can't vote for that.

President Stahl said Mr. Kline and he had a conversation with a representative of one of the Foundations and at one point they were interested, did they still have any interest if it is cleaned up? Mr. Schell said he was under the impression that they were not going to be in a position to help us. President Stahl asked would anybody be opposed to allowing him the opportunity to contact that Foundation and ask them if we spent \$50,000 would they be interested in buying that piece of property for \$50,000? Mr. Kline said he don't have any objection to that, but he don't think that the owner was trying to, the bottom line right now is that no one is out there. If you've got \$80,000 you can buy the property. That's probably about as low as the property can go. So by tacking on another \$50,000 the price is going to go up to \$130,000. Discussion ensued.

Mr. Icsman said he wanted to clear up if he can a little bit about the lien status on the emergency. They had something before them, something that is called what used to be emergency clean up. He thinks that emergency is the waiver of the former competitive bidding that is required by the Charter for over \$10,000, which it would have not sufficed. There is a different emergency. Now when you talk about putting a lien on the property, if in fact there is indicative as they talked about this before, if it is a nuisance, then the lien takes priority. So there is more of a likelihood that you will get your money. If it is not, there's nobody inspecting it, he don't know the status and this was kind of generalizing here, but if it is not a nuisance and there is no life-safety issue, you could get a lien obviously. You could put a lien on. You won't get any priority. So if you have an owner voluntarily telling you you can put a lien on the property, you will not if there is a mortgage and maybe there isn't, but if there was, you're not going to get superiority to that mortgage or anything that has been filed of record prior to us filing for recovery of our money. If they filed \$80,000 on the property and we put \$50,000 in there, there's a possibility that we would never get the \$50,000 out. What he was telling them was that they don't get priority. You don't get priority status absence a nuisance life-safety issues that require emergencies. That is a different emergency than what he believed the Manager was describing to them. Mr. Kline said he talked repeatedly to our Chief Building Official, who actually has the authority to decide life safety. Mr. Icsman said Kathy (McKillips) does as well. Mr. Kline said right. If a child would cross the fence, they could possibly get hurt, but through the Code there's nothing on that. Mr. Icsman said ugly is not against the Code. President Stahl said Mrs. McKillips if she get with Mr. Poulos to declare that. Mrs. McKillips said previously she had spoken with Mr. Poulos also, but she could not make that call as life safety. President Stahl said if she wasn't prepared to make that comment Mrs. McKillips, then they're not in a first position Mr. Kaman to give that. And if they're not in a first position to get that lien back, they could just be throwing the \$50,000 out in the wind. So why don't they make through the purpose of discussion, why don't they, did he think he would be willing in the next two weeks to meet with Mr. Poulos and talk to him about this issue. Would he be willing to do that? And that would give them two weeks to talk to that Foundation, then he would be prepared to spend the money, because he was afraid if some kid gets hurt there. If they check to see if they could put us in the first lien position, they would jump in front of the train at that point Mr. Icsman? Mr. Icsman said that's the only way to get priority status is through some type of nuisance determination made by either the Building Official or City Engineer who has done it in the past, someone from the City, it can't be contrived, it has to be real. And by the way they could still get the money, Mr. Kaman's point was that they would get a lien, he was simply pointing out to them the priority of that lien. And there could be no liens on that property. He has no idea. Mr. Kline said ask Kathy, they talked to George (Poulos) and he had taken George out there, he had been on the property. This process is not a health safety issue. Kathy could tell them that.

Mrs. Farrar said she understands what they were saying and she couldn't say she disagreed, but this was one of those things that she felt should be done. They need to do it today, it's got to be done, and she would prefer that they just go ahead and get it done. It's no different than when we're understaffed and we get calls about high grass and people had to pay for these things. She would like to vote on it now. President Stahl said his opinion is they need two weeks to find out if that claim could be in a first position. If they voted it in tonight and Mrs. McKillips was ready to declare a health safety issue in the next two weeks, then our claim goes to the top of the hill and that's very important to a City that doesn't have any money. He was ready to vote with her, but he wanted to use these two weeks to find out if our claim

can be put in the first position and talk to the Foundation. Mr. Kaman said he was ready to vote whether it goes or it doesn't. Bottom line they could put it off for more weeks, he has been bringing this up for three years. Three weeks, three different meetings he has been bringing this up so that's six weeks. It's unacceptable to him. Mr. Warner said he would go with Mr. Kaman on this. Mr. Kaman said spend money, don't spend money, do your job. (As more than one Commissioner was speaking, inaudible discussion ensued.) Mr. Fuqua said actually the City Manager is asking for authorization to go ahead with this and it says here that he was asking for a voice vote this evening authorizing the emergency cleanup of this property; and in the next sentence the proper legislation will follow at the next meeting. So this was kind of like a prerequisite for him to go ahead and contract this, right or wrong? Someone said correct. President Stahl said we tried Mr. Waddington. This is authorization for him to proceed, right Mr. Kline? Mr. Kline said they can do it the other way. Just call in legislation for the next meeting if they want, but he agreed with Mr. Kaman. He meant they've been trying with other people trying to purchase the property and they're not purchasing the property. Unfortunately like the Law Director said, there's is no law for being ugly to get it cleaned up. Mr. Icsman said they could voluntarily subordinate their lien to a lesser position. What he was talking about is that the priority is granted by state statute in terms of nuisance and life safety issues. You get those by law if you find those things. In other words, if they can get the people to write that this is an emergency of the sense of not having to competitively bid, yet you have to advertise and solicit this formally. It belies the emergency if you wait two weeks, then someone could ask them then why aren't you competitive bidding it then. So that's the emergency. He (Mr. Kline) is asking them for permission to move, because of the emergency so that they can move forward irrespective of a determination of the lien in order to not have to competitively bid and get it down and done or at least started. And maybe it would not be done in two weeks, but they would ratify what they did by a formal ordinance. A life safety nuisance issue is something the general public will suffer different than an attractive nuisance that may or may not be on your private property. Discussion ensued.

Mrs. McKillips stated that she had talked to Mr. Poulos before and she could talk to him again, but if nothing's changed regarding the property and its status, then their discussion will probably end the same as it did before, that there is no life-safety issue on the property. **President Stahl asked for a roll call on the motion. The Clerk called the roll: Yeas: Stahl, Waddington, Kaman, Farrar, 4. Nays: Fuqua, Brown, Warner, 3. President Stahl declared the motion passed.**

Mr. Klein said just to confirm that the **City did receive four participants for the City Hall Project, two of them were actually projects of proposals, two of them were more their qualifications from two different firms for the City Hall Project. There were two from the Columbus area that participated with their proposals for the Keller Building.** Those RFP's were requested Friday of last week. He didn't have anything to give them concrete-wise, the next process now is to review them and they would be setting up times to interview and they would be setting up times to interview each of the participants for both projects. So he thought he would give them an update. *President Stahl asked were there any questions of the City Manager?*

Mr. Warner asked concerning City Hall, how were we going to pay for a new City Hall? Mr. Kline said he couldn't answer that today. Mr. Warner said if they take away programs and what if the Marina District moves forward, would they have a funds in place once that Marina District is in place to help pay for this City Hall? Mr. Kline said we could, obviously is our goal is to do that. Mr. Warner said if we move forward on the Marina District, we may have money to pay for that? Mr. Kline said possibly. We need to go over both proposals, and he's saying both proposals, remember the other two are just qualifications on the status quo. They need to go over both proposals and discuss them in detail with those participants to just get a sense of what kind of proposals we're actually talking about. He meant there's a lot more work that needs to be done. Mr. Warner said he wanted to explore out there where it doesn't actually cost the citizens anything to make this move. Mr. Kline said that's been the goal before he arrived here so he was trying to do that. President Stahl said there's no additional cost than to rehab this building. Let's be very clear on that. Mr. Warner said no additional cost than what it would be to rehabilitate this building. Thank you, he stands corrected on that. President Stahl said no problem, his intention was correct.

Mr. Waddington asked **did he file his report on the Stimulus money?** Mr. Kline said no, we had 13 projects that they put in that they followed the rules that they told us. They go to RecoveryOhio.org or RecoveryOhio.com to put in all of your requests in the electronic filing cabinet and it goes to the State and it they get back to us and they print applications for more details. All of them included infrastructure, a green energy products, wind turbines and actually a rationale way to put it in place. Mr. Waddington asked for an update on their Win Committee and where we they putting the six together? Mr. Kline said the group itself, the goal was to get about six turbines in place throughout the County in Huron, Vermilion and Sandusky. The idea is to try to entice a company to locate to Erie County for production purposes. EPS has finished their study with Huron and they were just wrapping up their studies with us. They were looking forward to getting a solid proposal from them. He knew they were also doing studies for the Township and the County. Andy White is taking the lead on making requests for the approximate \$7 million for the Stimulus Package for the countywide wind turbines. We also put that same identical request in for the City.

Under **Old Business**, Mr. Kaman said ODOT's got two dates coming up in March, the monumental to Stage III approval write in for the **West End Overpass Stage III**, could she give them a call sometime this week and check with them and make sure they're on track for us? Mrs. McKillips said sure, she did just request an update from them on the schedule, but she would contact them and verify that for them.

Under **New Business**, Mr. Kaman said he took pictures of information and he would like Mr. Hagg to go to the podium at this time and talk about the **Chesapeake Walkway**. He guessed that it would be a voice vote, correct him if he was wrong, they have some pilings down there in the slip and they would like to make a motion to **authorize Shoreline Contractors to move those pilings**. They are no use to the City. It's not going to cost us any additional money to have Shoreline pull them. They are going to basically pull them and use them elsewhere at their job sites and there would be no disposal cost. President Stahl said that's a wonderful idea. Mr. Kaman said that is one of the two items. **If there are no questions from Mr. Hagg, he would like to make that motion that they allow them to do that. Mrs. Farrar seconded the motion.** As there was no discussion, Mr. Icsman said he would ask that he include in the motion because, and he didn't know the value and he didn't know if anyone does know the value or know exactly what these are, but they did need to declare them unnecessary and unfit for use pursuant to the Charter and then authorize disposition if that's the disposition method that they want authorized. Mr. Kaman asked would a voice vote be fine with that or did he want him to make the motion to bring in legislation for the next meeting? Mr. Icsman said that would be good. President Stahl said with the timeline he would assume they don't want to wait. Mr. Hagg said he could answer that; and that will tie in to the next point that Mr. Kaman would mention. It would have been been convenient for them to pull these out on their way out, and now they're working their way out on the pier; it still can be convenient for them to pull them on their way back. It will only become inconvenient for them if they get all the way around to the west side of the building. So there is some time yet; there is he thinks enough time to pass legislation and still allow them to do this. Mr. Fuqua said so they could pass this as emergency legislation in two weeks. Mr. Hagg said he was still waiting for the second item, but... **Mr. Kaman said he would change his motion to ask for legislation to be brought forward to the next meeting to remove these pilings. Mrs. Farrar seconded the motion. President Stahl asked for a vote on the motion and with all Commissioners voting "Aye", the motion carried.**

Mr. Kaman said the second point they have is, **he would like to make a motion to allow them to proceed with the request from the Ohio Department of Natural Resources to the Army Corps of Engineers to extend the in-water work deadline for the Walkway Construction.** At this time they lost one and a half days so far because of winter conditions. Bob (Hagg) did calculations on things down there and right now we're going to be missing our date by two days. So barring any more weather we should be able to make it, and maybe we could make those two days up, but after talking in our meeting last week with the Hoty's and Shoreline, they just feel that they should try to make that application now and try to get it in hand so if the weather doesn't cooperate, they have this covered then. Mr. Hagg asked did he want

him to answer that? The contract with Shoreline Contractors has a deadline to protect cold water fish from spawning of March 15th and then they are not allowed to work in the water again until June 30th. The contract as a whole has a deadline for completion of June 2nd. What happens is, if they don't get the in-water work done by the 15th, they can't get back to it in time to complete the contract by June 2nd. So then they wind up subject to liquidated damages under the contract. Actually they want them to finish the work. Right now the way, because the rate that we have been suggesting and estimating and projecting, they are going to be two days late at least on the sheet piling. A couple of other items that he is concerned about is that they might be late also on and they're going to talk about those with them tomorrow. They've now acknowledged that they're going to be late and they've made this request to the Commission for the extension to apply for the extension to ODNR. The Army Corps doesn't mind if the ODNR doesn't mind. He's talked to ODNR and they say well the six weeks that the contractor would like, very unlikely to grant. If it's only going to be a week, send it in they say. So they get a sense of the longer they go beyond the week the less likely they are to grant it. And the contractor still has time to complete the work by the March 15th date, only they would have to put in extra days, extra hours, it would cost them more to do it, it would not cost us more to do it. Just to make him happy, he would like to make them do the work by the 15th, but he don't think that we should penalize them monetarily just to make him happy. So for that reason, he thinks that they should go ahead and apply for the extension. Meanwhile we need them to have essentially a plan for how they're going to make the deadline if it is not approved. It's still enough time for them to do that. So this is a decision, this is going to change the contract documents, ultimately these changes are going to have to be approved by Commission. And he just wanted to bring it to the Commission and get a sense of where the Commission's views on this are. It could work either way. **Mr. Kaman said the motion is to proceed with the request to the Ohio Department of Natural Resources and Army Corps of Engineers for in-water work for one week only. Mr. Brown seconded.**

Mr. Icsman said he was wondering Bob (Hagg) if this is a, so this is not a request for extension of the deadline on the contract, this is some other extension for in the water work? Mr. Hagg said that's right. If the City holds the permit with the Army Corps, this is the Army Corps of Engineers' permit, it contains a requirement that no work be performed between the 15th of March and the 30th of June. So the City would need to send a letter to the Army Corps requesting an extension of the in-water date and they would have to have an endorsement with the ODNR. Mr. Icsman said he would think that that would not be an extension of the contract per se, but since it was a change, they could process it as a change order tying however he would want to word that, except no money. Mr. Hagg said we didn't change the contract documents. Mr. Icsman said exactly. So he didn't want the Commission to think he (Mr. Hagg) was pushing it to be the time that they use to complete it out. It's not that. Again, they want to be able to do this and they do not want to wait. Mr. Hagg said oh no, he wanted to tell them tomorrow it's up or down and then allow them to give us their plan accordingly. Mr. Icsman said so he would bring a formal change order to him (Mr. Hagg), which is the way to change in the contract documents based on this request that he wants to do tomorrow. President Stahl said voice vote or roll call? Mr. Icsman said he should order in the proper legislation for a change order for that item. **Discussion** – Mr. Warner said why do they call a deadline a deadline Mr. Hagg? Mr. Hagg said because you're supposed to meet it. Mr. Warner said yea, ain't that the truth. Well this was all looked at, threw it out and said we couldn't do it, but could, we can't. He don't really have any problems giving him that extra week, but what happens when June 2nd rolls around and they need June 14th and then they need June 28th and then July 4th and then there's an extension put out there until next spring. Are they going to bid on other City jobs; did we pick the wrong company? He thinks we picked the right one. Do they need to put more people on to manage their job and get it done right and get it done on time? Maybe they're supposed to do that. But if he feels they can make it with just one week extension. Mr. Hagg said he thinks they can make it with no extension. It will just cost them something. Discussion ensued. Mr. Icsman said that is the purpose of the change order, because we would make sure that's what's clear in everybody's mind, they don't get anything else but this extra week to work in the water, which was really something that they're granting them and something that ODNR is granting them. They have not asked for an extension of the completion. Yes they could, but then

there's a whole process in the contract which they would have to evaluate that and determine whether to do that extension. They don't get any money, but to prevent any type of delay claims later on. **The Clerk called the roll: Yeas: Stahl, Fuqua, Brown, Warner, Waddington, Kaman, Farrar, 7. Nays: 0. The President declared the motion passed.**

President Stahl questioned why is that **Jiiman Dock** still there? It makes an ugly footprint in that lagoon down there. They should get rid of that Kathy or Scott and that shelter house that was part of the Border Patrol see if they can get rid of that too and get back to them in a couple of weeks. Discussion ensued on the Jet Express and the fence. Mr. Schell said he would see if they could start those talks again.

Mr. Waddington said they would have a **Recycling meeting** tomorrow.

Mrs. Farrar said she understood and she was behind the Commissioners on the Lions Park thing, but she wondered what the numbers were and had they changed their minds? Mr. Waddington said no, they were still working on it. Mr. Warner said Metro Parks wanted to partner with us in the cleanup of Lions Park. He didn't know what all was involved. Mr. Kline gave an explanation and discussion ensued. **Mr. Warner said he would move that they follow up with Metro Parks on the Lions Park issue. Mr. Waddington seconded. President Stahl asked for a vote on the motion and with all Commission voting "Aye", the motion carried.**

Mr. Fuqua said he would like to request an **executive session on Pending Litigation, Sandusky Yacht Club**. Mr. Waddington seconded the motion. The Clerk called the roll. Yeas: Stahl, Fuqua, Brown, Warner, Waddington, Kaman, Farrar, 7. Nays: 0. President Stahl declared the motion passed.

Mr. Fuqua said he would request an **executive session on Collective Bargaining**. Mr. Waddington seconded the motion. The Clerk called the roll. Yeas: Stahl, Fuqua, Brown, Warner, Waddington, Kaman, Farrar, 7. Nays: 0. The motion passed.

Mr. Warner said **Ms. Arlene Thompson called him about an estimated water bill, are they estimates or are they duplications of the month before?** Mr. Widman said if they look at our makeup in the City, we have access of 50% rental properties and 50% homeowners. And if they use the prior year's history and data, it changes because people were so transient and the information would not be stable. So why use someone else's consumption. So we have four ways we can estimate our water and sewer bills using the utility systems that we have purchased and are paying to support; one is the average from last year, the same time period last year, last billing or the average from the last number of months. They get a lot of phone calls whenever they estimate. They have advised the property owners in question, that if you don't want to pay an estimated bill, don't pay it. They were not going to turn anybody's water off because they don't pay an estimated bill. It was kind of a courtesy to do it this way, but in this case it was bad weather. Discussion ensued.

Under **Audience Participation**, Mr. Mark Norman, 1016 Third Street, said the cleanup of Monroe Street affected the value of their businesses and devalued the people's homes. And with Mr. Kline doing the State of the City Address and Chief Nuesse or Mrs. Nuesse filed a complaint and in his Address he said that there is an investigation. He would ask who did the investigation? President Stahl said he normally would accommodate, but he didn't think it was appropriate for them to comment on any ongoing legal issue. Mr. Norman said well, he brought it up in the State of the City, so he addressed it and he also said that the accusations were false and without merit. Does that mean that none of the incidents described in the lawsuit happened, there was no touching, no statements were made, is that what the City is saying? President Stahl said he thinks the City had a three-paragraph statement and he thinks that's what he was referring to; and he thinks that will stand on its own. And he don't believe this is, he said what he said and he would stand behind what he said at the State of the City; he was there. But he read the three paragraphs and he disbelieves, he don't want to start a discussion on it on t.v. Mr. Norman said he was sorry, because he brought it up and it's the same merit and he was just asking him. He thinks there continues to be examples of double standards. He would like to say when Mr. Warner was installed at a Commissioners'

meeting, behind him being selected was that he was up and running and on top of the issues because he attended every meeting. When it came time for Mr. Murray to be replaced, it was different criteria, and the person who was most upon the issues, wasn't selected. And Mr. Warner suggested that there be a Finance or a Budget Committee appointment and it was suggested that Sharon Johnson, and again and he just... President Stahl interrupted said he didn't mean to interrupt him, but when they appointed Mr. Warner to the Commission he was a firm supporter and he looked at the meeting minutes and he spoke very highly and very strongly and asked the Commission to support him in favor of Pervis Brown, Jr. in June. And for the replacement for Murray in December of course he didn't change his, and he worked very well with Mr. Warner by the way, even though he didn't vote for Mr. Warner. Mr. Norman said he understood that. President Stahl said and he's been honest and very open and Pervis was his friend in June and he's his friend when he ran three and a half years ago. And they became friends and spent a lot of time together at that time. Mr. Norman said this was no dispersion on Mr. Brown. It's the criteria, not friendships. President Stahl said he thought he would just let him know. Mr. Norman said they were looking for the person who is known when he's running for being the most current with the issues and he thinks from most people's perspective that's Sharon Johnson. The double standard goes further with these claims against Chief Nuesse, she's still on leave. And he understands that sexual harassment you usually need to remove the person that's there so other people can come forward. Chief Nuesse was placed on administrative leave for accusations and Mr. Kline wasn't. And if that wasn't done, then there was a double standard there as well. He would think if anyone, he would encourage all the Commissioners to attend the hearings, because the e-mails are being laid out, the e-mails between staff are sending out a very clear message of what happened, a clear story of how this came down and it's not very flattering. There was negativity to him for the City, especially Mr. Kline. There is a shadow over this City. This won't be resolved for the next two years if we keep on going and at some point this needs to come to an end; and he thinks it's time Mr. Kline resigned. President Stahl said Mr. Norman he didn't agree with him, but we live in a great country and we are all allowed to have our differences of opinion. And he respected him very much. Mr. Norman said well, he thinks he needed to get in touch with the City, because the mood is turning and he thinks that he is going to find out that he was on the side other than like say Mr. Waddington and Mr. Kaman, he was going to find himself on the wrong side of the issues. President Stahl said Mark he would work every day to give him the opportunity to have his beliefs and he believed he would let him have the same thing.

Ms. Sue Daughtery, 1016 Third Street, said she would like to reiterate that she was here as a citizen of Sandusky. One thing that was brought to light that does concern her is the issue of transparency, when the question was asked who conducted the investigation there was a hush. She would like one of the Commissioners, if they would have the political courage to see that that gets corrected, it shouldn't be a secret. President Stahl said it was Margaret Cannon. Mrs. Daughtery said it concerned her then because that is a conflict of interest. That was not an objective investigation. There is a firm doing the investigation that is very motivated to make the City appear right and correct, and she thinks that somebody has to take that issue and look at it again.

President Stahl said he was correct, right Mr. Icsman? Mr. Icsman said he was correct if he thinks he was correct he was correct. He would just say that, and he does not mean any disrespect, but when there is pending litigation, and this is just pretty much the advice that he has given, do not comment. There is a process in place. The process needs to be respected. The process does not need to be undermined directly or indirectly by making any comments. He would reiterate that and the explanation would be to not answer questions. He guessed the short answer would be not on the advice of counsel. There is a format where that will be determined, not here. Mr. Westerhold of the Sandusky Register made a comment and President Stahl said not from the floor, you must comment at the podium.

Mrs. Sharon Johnson, 1139 Fifth Street, said this comment was on the budget and they just blew \$50,000 on G&C. It's irresponsible. How could they try to talk to the union about taking a cut and they just gave away \$50,000. They're not going to take a raise on that, they can't even deal with them after they just did that. She didn't understand where they're coming from.

Mr. Bob Zoellner, 1401 Ogontz Street, said he would commend the Commission for the resolution for partnering with Erie Metro Parks regarding employees and on Lions Park cleanup. That was an excellent idea. Through the years the way things were done in the past, he thought they were entering a new era that they would see a lot more of that. As the governing body of the largest municipality in this County, he hoped they would stay on the cutting edge of different ways to do that. It would help everybody on different ways to partner to save the citizens money. They need to look for ideas from citizens, even though sometimes they seem confrontational at the podium. Like the rental registration he brought up four weeks ago and finally he did get some material tonight, which it was rather too long, but since he brought it up first in January of '07 that was definitely way too long. He would respectfully disagree with Mr. Icsman. He thought this was ideally the place to bring some things up, especially with Chief Nuesse. If our City Manager can bring that up in a public forum with the City Address to make those comments then, it has become public information to talk about. How can the City say it's privileged information sometimes while commenting on it on other occasions. So he would ask the question Mr. Norman asked and he believed he finally got the answer, but correct him if he was wrong. It seems like most of the Commission or some were caught unawares when evaluations came out publically last week. President Stahl made an inaudible comment. Mr. Zoellner said how was the Commission unaware of this if the City had been doing an investigation? President Stahl said the City would have no further comment. Mr. Zoellner asked how could he publicly not respond to the citizens that want to know what's going on with our City Manager who brought it up himself in his City Address to the public? You're hearing one side. You're not hearing the full story. Could somebody please comment? President Stahl said thank you Mr. Zoellner.

Ms. Holly Hardecker, 1928 Sandusky Street, said she had spoken to several Commissioners about the article concerning on ways to raise money. She didn't think they should turn to just one group of people, the residents, to assess them for extra fees and services that none of them have gotten over the years. She lived on a very tight budget. She spoke for a lot of her friends and neighbors that don't use brush or leaf pickup, because they don't have trees. She leaves the grass clippings on her yard, she composts, she mulches. Don't ask her to pay for something she doesn't use. If she has to live on a budget and she has to cut corners, why can't the City? But then she just say that 50 grand though.

At 7:25 p.m. President Stahl stated that they would take a break and return for executive sessions. At 7:30 p.m. the City Commission returned to the table.

**An executive session was held on Collective Bargaining.
An executive session was held on Personnel, City Manager.**

President Stahl returned to the table and entertained motions for adjournment.

ATTEST:

B. JOYCE BROWN
CLERK OF THE CITY COMMISSION

CRAIG H. STAHL, PRESIDENT
SANDUSKY CITY COMMISSION